



2007 ASSEMBLY BILL 3

January 12, 2007 - Introduced by Representative SCHNEIDER. Referred to
Committee on Jobs and The Economy.

1 **AN ACT to amend** 71.07 (5f) (b) (intro.), 71.07 (5f) (c) 1., 71.07 (5h) (b) (intro.),
2 71.07 (5h) (c) 1., 71.07 (5h) (c) 2., 71.07 (5h) (c) 3., 71.28 (5f) (b) (intro.), 71.28
3 (5f) (c) 1., 71.28 (5h) (b) (intro.), 71.28 (5h) (c) 1., 71.28 (5h) (c) 2., 71.28 (5h) (c)
4 3., 71.47 (5f) (b) (intro.), 71.47 (5f) (c) 1., 71.47 (5h) (b) (intro.), 71.47 (5h) (c) 1.,
5 71.47 (5h) (c) 2. and 71.47 (5h) (c) 3. of the statutes; **relating to:** relating to the
6 taxable years for which a person may claim the film production services and
7 film production company investment credits.

Analysis by the Legislative Reference Bureau

Under current law, for taxable years beginning on or after January 1, 2008, a film production company may claim income and franchise tax credits for expenses related to film production services, including a percentage of the salary or wages paid to the company's employees in this state, and for capital investments made in this state by the film production company. Under this bill, a film production company may claim the credits for taxable years beginning on or after January 1, 2007.

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For further information see the *state* fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1 **SECTION 1.** 71.07 (5f) (b) (intro.) of the statutes is amended to read:

2 71.07 **(5f)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
3 subsection, for taxable years beginning after December 31, ~~2007~~ 2006, a claimant
4 may claim as a credit against the tax imposed under s. 71.02 any of the following
5 amounts:

6 **SECTION 2.** 71.07 (5f) (c) 1. of the statutes is amended to read:

7 71.07 **(5f)** (c) 1. No amount of the salary or wages paid under par. (b) 1. may
8 be the basis for a credit under this subsection unless the salary or wages are paid for
9 services rendered after December 31, ~~2007~~ 2006, and directly incurred to produce the
10 accredited production.

11 **SECTION 3.** 71.07 (5h) (b) (intro.) of the statutes is amended to read:

12 71.07 **(5h)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
13 subsection, for taxable years beginning after December 31, ~~2007~~ 2006, a claimant
14 may claim as a credit against the tax imposed under s. 71.02, up to the amount of the
15 taxes, for the first 3 taxable years that the claimant is doing business in this state
16 as a film production company, an amount that is equal to 15 percent of the following
17 that the claimant paid in the taxable year to establish a film production company in
18 this state:

19 **SECTION 4.** 71.07 (5h) (c) 1. of the statutes is amended to read:

20 71.07 **(5h)** (c) 1. A claimant may claim the credit under par. (b) 1., if the tangible
21 personal property is purchased after December 31, ~~2007~~ 2006, and the personal

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1 property is used for at least 50 percent of its use in the claimant's business as a film
2 production company.

3 **SECTION 5.** 71.07 (5h) (c) 2. of the statutes is amended to read:

4 71.07 **(5h)** (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
5 expended to construct, rehabilitate, remodel, or repair real property, if the claimant
6 began the physical work of construction, rehabilitation, remodeling, or repair, or any
7 demolition or destruction in preparation for the physical work, after December 31,
8 ~~2007~~ 2006, or if the completed project is placed in service after December 31, ~~2007~~
9 2006.

10 **SECTION 6.** 71.07 (5h) (c) 3. of the statutes is amended to read:

11 71.07 **(5h)** (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
12 expended to acquire real property, if the property is not previously owned property
13 and if the claimant acquires the property after December 31, ~~2007~~ 2006, or if the
14 completed project is placed in service after December 31, ~~2007~~ 2006.

15 **SECTION 7.** 71.28 (5f) (b) (intro.) of the statutes is amended to read:

16 71.28 **(5f)** (b) *Filing claims.* (intro.) Subject to the limitations provided in this
17 subsection, for taxable years beginning after December 31, ~~2007~~ 2006, a claimant
18 may claim as a credit against the tax imposed under s. 71.23 any of the following
19 amounts:

20 **SECTION 8.** 71.28 (5f) (c) 1. of the statutes is amended to read:

21 71.28 **(5f)** (c) 1. No amount of the salary or wages paid under par. (b) 1. may
22 be the basis for a credit under this subsection unless the salary or wages are paid for
23 services rendered after December 31, ~~2007~~ 2006, and directly incurred to produce the
24 accredited production.

25 **SECTION 9.** 71.28 (5h) (b) (intro.) of the statutes is amended to read:

ASSEMBLY BILL 3**SECTION 9**

1 71.28 (5h) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection, for taxable years beginning after December 31, 2007 2006, a claimant
3 may claim as a credit against the tax imposed under s. 71.23, up to the amount of the
4 taxes, for the first 3 taxable years that the claimant is doing business in this state
5 as a film production company, an amount that is equal to 15 percent of the following
6 that the claimant paid in the taxable year to establish a film production company in
7 this state:

8 **SECTION 10.** 71.28 (5h) (c) 1. of the statutes is amended to read:

9 71.28 (5h) (c) 1. A claimant may claim the credit under par. (b) 1., if the tangible
10 personal property is purchased after December 31, 2007 2006, and the personal
11 property is used for at least 50 percent of its use in the claimant's business as a film
12 production company.

13 **SECTION 11.** 71.28 (5h) (c) 2. of the statutes is amended to read:

14 71.28 (5h) (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
15 expended to construct, rehabilitate, remodel, or repair real property, if the claimant
16 began the physical work of construction, rehabilitation, remodeling, or repair, or any
17 demolition or destruction in preparation for the physical work, after December 31,
18 2007 2006, or if the completed project is placed in service after December 31, 2007
19 2006.

20 **SECTION 12.** 71.28 (5h) (c) 3. of the statutes is amended to read:

21 71.28 (5h) (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
22 expended to acquire real property, if the property is not previously owned property
23 and if the claimant acquires the property after December 31, 2007 2006, or if the
24 completed project is placed in service after December 31, 2007 2006.

25 **SECTION 13.** 71.47 (5f) (b) (intro.) of the statutes is amended to read:

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1 71.47 (5f) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
2 subsection, for taxable years beginning after December 31, ~~2007~~ 2006, a claimant
3 may claim as a credit against the tax imposed under s. 71.43 any of the following
4 amounts:

5 **SECTION 14.** 71.47 (5f) (c) 1. of the statutes is amended to read:

6 71.47 (5f) (c) 1. No amount of the salary or wages paid under par. (b) 1. may
7 be the basis for a credit under this subsection unless the salary or wages are paid for
8 services rendered after December 31, ~~2007~~ 2006, and directly incurred to produce the
9 accredited production.

10 **SECTION 15.** 71.47 (5h) (b) (intro.) of the statutes is amended to read:

11 71.47 (5h) (b) *Filing claims.* (intro.) Subject to the limitations provided in this
12 subsection, for taxable years beginning after December 31, ~~2007~~ 2006, a claimant
13 may claim as a credit against the tax imposed under s. 71.43, up to the amount of the
14 taxes, for the first 3 taxable years that the claimant is doing business in this state
15 as a film production company, an amount that is equal to 15 percent of the following
16 that the claimant paid in the taxable year to establish a film production company in
17 this state:

18 **SECTION 16.** 71.47 (5h) (c) 1. of the statutes is amended to read:

19 71.47 (5h) (c) 1. A claimant may claim the credit under par. (b) 1., if the tangible
20 personal property is purchased after December 31, ~~2007~~ 2006, and the personal
21 property is used for at least 50 percent of its use in the claimant's business as a film
22 production company.

23 **SECTION 17.** 71.47 (5h) (c) 2. of the statutes is amended to read:

24 71.47 (5h) (c) 2. A claimant may claim the credit under par. (b) 2. for an amount
25 expended to construct, rehabilitate, remodel, or repair real property, if the claimant

ASSEMBLY BILL 3**SECTION 17**

1 began the physical work of construction, rehabilitation, remodeling, or repair, or any
2 demolition or destruction in preparation for the physical work, after December 31,
3 ~~2007~~ 2006, or if the completed project is placed in service after December 31, ~~2007~~
4 2006.

5 **SECTION 18.** 71.47 (5h) (c) 3. of the statutes is amended to read:

6 71.47 **(5h)** (c) 3. A claimant may claim the credit under par. (b) 2. for an amount
7 expended to acquire real property, if the property is not previously owned property
8 and if the claimant acquires the property after December 31, ~~2007~~ 2006, or if the
9 completed project is placed in service after December 31, ~~2007~~ 2006.

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(END)